



Board of Supervisors Memorandum

January 20, 2004

**Resolution No. 2004 - _____ of the Board of Supervisors
Ordering and Calling a Special Bond Election For May 18, 2004**

Report

Resolution No. 2004-_____, if adopted, will order and call a special bond election for May 18, 2004. The resolution was drafted by bond counsel, who will sign the final document. Bond counsel worked with staff and framed the resolution from the recommendations of the Pima County Bond Advisory Committee. This transmittal memorandum will summarize the draft resolution, describe the background leading up to the proposed call for the bond election, and identify key issues that will be resolved in the Bond Implementation Plan ordinance adopted for the May 18, 2004 bond election.

Summary of Resolution No. 2004-_____

The following information summarizes principal elements contained in Resolution 2004-_____.

Setting the Election Date

ARS §16-204 sets four dates during the year upon which elections can be called. Two of the dates are typically used for primary elections: "the second Tuesday in March" and the "eighth Tuesday before the first Tuesday after the first Monday in November." Primary elections are not the best date upon which to schedule a Countywide election issue such as bond questions. The other two dates are typically used for general elections: the "third Tuesday in May" and the "first Tuesday after the first Monday in November." In 2004, the November general election will include the Presidential and congressional elections and state senate and representative elections, as well as the Board of Supervisors, a situation in which a bond issue, of whatever size, will usually appear at the end of a long ballot and will be swamped in the attention given to the national and statewide candidate races. Therefore, May is the more appropriate time to hold a special bond election, an election in which the voters will be able to focus more closely on the questions raised.

I scheduled January 20 as the date to consider the call for the election for administrative reasons. While election day is May 18, early voting starts thirty-three days earlier, on April 15. Calling the election on January 20 provides the Division of Elections and County Recorder almost ninety days to complete the myriad of technical tasks required to produce ballots and mail out sample ballots/publicity pamphlets in time for the early voting start date. While ninety days is the optimum lead time for organizing an election, Elections staff says that it has some flexibility on finalizing the call for the election, but probably not beyond the first meeting in February.

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Polling Places

Because of the importance of this bond election, Division of Elections staff plans to have polling places for all precincts in Pima County, a total of 401 precincts. Staff has about ninety percent of these polling places committed and will return to the Board in early February with a resolution approving polling places for the May bond election.

Ballot Questions

Pursuant to the work of bond counsel, Resolution No. 2004-_____ (Attachment 1) recommends six ballot questions, establishing purposes, maximum bond authorizations, maximum interest rates, and maximum terms, based upon the recommendations of the County Bond Advisory Committee. Under Recommendations, I suggest possible adjustments to the Committee's recommendations, based upon the most recent feedback from jurisdictions, that the Board might consider. If the changes are made, the maximum bond authorizations for some questions would change accordingly, as is discussed under Recommendations.

The six bond questions would include five general obligation bond questions, for a total bond authorization of \$556.6 million, and one sewer revenue bond question at \$150 million (see Table 1). The Board has complete discretion in how it chooses to order the general obligation bond ballot questions. In this recommended ordering of questions for the General Obligation bonds, since the Board directed planning for a May 2004 bond election with the explicit focus on open space and neighborhood reinvestment, the first question would be Sonoran Desert Open Space and Habitat Protection; Preventing Urban Encroachment of Davis Monthan Air Force Base, and the second question would be Public Health and Community Facilities, which includes Neighborhood Reinvestment. The remaining questions are then ordered by size of the bond authorization.

Table 1

**Recommended Ballot Questions, Based on Bond Committee Recommendations,
for the May 18, 2004 Special Bond Election**

<u>Recommended Ballot Question</u>	<u>Recommended Bond Authorization</u>
General Obligation Bonds	
Question 1 Sonoran Desert Open Space and Habitat Protection; Preventing Urban Encroachment of Davis Monthan Air Force Base	\$182,300,000
Question 2 Public Health and Community Facilities	77,500,000
Question 3 Public Safety and Justice Facilities	192,500,000
Question 4 Parks and Recreational Facilities	81,800,000
Question 5 River Parks and Flood Control Improvements	<u>22,500,000</u>
Total General Obligation Bonds	\$556,600,000
Question 6 Sewer System Revenue Bonds	\$150,000,000

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The recommended ballot questions and bond allocations are the product of consultation between bond counsel and staff, to bundle similar projects under separate bond questions as required by law. Attachment 2 identifies the specific projects and funding levels that are recommended under each of the ballot questions. The Board will also officially adopt the projects, funding, scope, and timing of these projects when it adopts the Bond Implementation Plan Ordinance for the May 18, 2004 bond election. This ordinance must be adopted 30 days prior to the actual election. With the exception of the Regional Public Safety Communications System, all of these projects were included in the Committee recommendations submitted to the Board at the December 9, 2003 meeting. On January 6, 2004, the Committee held another meeting, at which time it voted unanimously to include the regional communications system in its package of recommendations. The Committee recommended that the \$105 million cost of the communications system be added to the \$451.6 million package it recommended on December 9, 2003, and that the term of the 2004 bond program be extended from seven to nine years to allow the property tax rate to remain at or below the current rate of \$0.8150 per \$100 of assessed valuation.

The following information discusses the recommendations made in Resolution 2004-_____.

1. **Public Safety and Justice Facilities**

Question 3 would combine the Regional Public Safety Communications System project with the joint Justice Court/Municipal Court Facility, Rehabilitation of the Old Courthouse, the Corrections Jail Security Project, and the Interagency Victims Advocacy Center. This grouping of projects mirrors the structure of Question 2 (Public Safety, Law Enforcement and Superior Court) from the May 20, 1997 bond election ballot.

2. **Cultural Resources Projects**

Technically, Pima County lacks statutory authority for historic preservation alone. The County, however, does have the authority to construct and manage cultural resources projects either as open space or as parks and recreational facilities. Working with bond counsel, staff recommends that this specific package of cultural resources projects should be included under Question 4, Parks and Recreational Facilities.

One project recommended by the County Bond Advisory Committee under the functional category of cultural resources, however, would not belong with Parks and Recreational Facilities. The Roy Place Commercial Building Restoration refers to the County-owned Legal Services Building and, if approved, will fund restoration of the facade of a public building. Therefore, this project was included under Question 2, Public Health and Community Facilities.

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3. Public Health and Community Facilities

Question 2 is similar to Question 5 (Public Health, Safety, Recreational, and Cultural Facilities) from the May 20, 1997 bond election ballot. As was done in 1997, Neighborhood Reinvestment is recommended for inclusion in this question on the 2004 bond ballot. The three projects for County-owned museums - two for the Arizona Sonora Desert Museum and one for the Pima Air and Space Museum - are also included in this question. Finally, as was done with the 1997 bond ballot, the Green Valley Performing Arts Center project is also included with projects to construct County-owned public facilities. The only Solid Waste Management project recommended for funding is the Ina Road Tire Facility relocation, which is included in Question 2 as a public facility.

Ballot Language

On January 5, 2004, I forwarded to the Board proposed bond language that had been reviewed and approved by bond counsel. This same language was before the County Bond Advisory Committee, which made a number of suggestions regarding clarity and informational disclosure to the voters regarding certain key project highlights. Ballot question language has been revised to reflect the desires of the Bond Advisory Committee regarding ballot language. In addition, the question related to flood control has been re-titled to more accurately reflect major category funding that will be included in the question if recommendations in this memorandum regarding bond purpose and amount, particularly related to the request of other jurisdictions, principally the City of Tucson, are accepted by the Board. This question will be re-titled "River Parks and Flood Control Improvements" since a majority of the funding to be included in the question would be for river park development along the major river system of the Cañada del Oro, Rillito, Santa Cruz and Pantano washes. Further, Question 1 related to open space has also had more descriptive language added to the title to inform voters that land acquisition to prevent urban encroachment on Davis Monthan Air Force Base is included under this bond question.

Ballot Maximum Interest Rate

Resolution No. 2004 - _____ recommends that each ballot question set the maximum allowable interest rate to be paid on bond sales at 12 percent. Based on present interest rates, this would be unusually high. However, bond counsel and staff recommend that the ballot language contain an interest rate this high out of an abundance of caution based upon lessons learned during the early 1980's. Because of the increase of general interest rates in the early 1980's, the market rates for municipal bonds increased beyond what the ballot for a 1980 bond election allowed, prohibiting the County from selling bonds. As a result, the voters were asked to approve, which they did, an increase in that maximum interest rate in a follow-up special election in February 1982. As a result of this hard learned lesson, Pima County has included the 12 percent language in all subsequent ballot language, including the 1997 bond questions.

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The practical effect of setting a maximum interest rate of 12 percent in ballot language will probably be quite small, as attested to by our experience in the municipal bond market since 1997. The highest actual interest rate on Pima County general obligation bonds set by the municipal bond market since 1997 was 5.1 percent and the majority were under 4.5 percent. The County recently, on January 6, 2004, refinanced some of the 1997 issue at an interest rate of 3.375 percent. As long as interest rates remain at such low levels, and even if they creep up somewhat, this is a good time for the County to incur new public debt.

Bond Term or Length

The ballot language would set the maximum term for selling bonds at thirty years. As with setting maximum interest rates, this language is likely to have little or no practical impact on bond terms, but it is recommended as cautious good public policy. Pima County usually sells bonds with a term of 15 years, which saves taxpayers in interest paid and ensures that future residents and Boards are not burdened with an accumulation of past debt. Of course, there is a relationship between the term of debt and annual payments, which in turn affects secondary property tax rates. Asking voters for permission to sell bonds for as long as thirty years simply helps to preserve fiscal flexibility.

Summary Comments on Recommended Bond Package

The County Bond Advisory Committee highlighted the benefits of the recommended bond program. The program is affordable and can be implemented while keeping secondary property tax rates for debt service at or below the current rate of \$0.8150 per \$100 of assessed valuation. To make the program affordable, the Committee reduced almost \$1.5 billion in requests for general obligation bond funding to \$556.6 million.

It is the consensus of the Committee that the proposed projects focus on the community's highest priority needs.

The recommended bond program will achieve multiple benefits for the entire community. The program will invest in needed public safety and health improvements. The program will protect and preserve valued open space and cultural resources and protects Davis Monthan Air Force Base. The program will strengthen the County's partnership with major community resources such as University Physicians, Inc. and the University College of Medicine, the Arizona-Sonora Desert Museum and the Pima Air and Space Museum. The program will foster regional cooperation among all governments. The program will repair and rehabilitate aging sewer infrastructure in the urban core and invest in infrastructure to support the City of Tucson Rio Nuevo program and economic development in the Town of Marana.

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Background of Recommended May 18, 2004 Bond Election

It is important to remember that the recommended May 2004 bond package is the result of an intense and very public process. Planning for the open space component has been underway for several years and involved participation of a broad and diverse cross-section of the community, who devoted countless hours to public meetings. Similarly, the Neighborhood Reinvestment Program has been underway for seven years and is a focus of thousands of individuals and scores of neighborhoods that care deeply about their communities.

The Board of Supervisors initiated planning for a May 18, 2004 bond election at its meeting of June 17, 2003, when it voted unanimously to have staff begin preparations for an election that would include open space, neighborhood reinvestment, and whatever additional projects were recommended by a bond advisory committee. At the July 1, 2003 meeting, the Board established three advisory committees: the County Bond Advisory Committee, Conservation Bond Advisory Committee, and Neighborhood Reinvestment Bond Advisory Committee. (Attachment 3 identifies the membership on each committee).

These three committees worked very hard to produce their recommendations on a very tight timetable. The Conservation Committee met a total of 17 times; the Neighborhood Reinvestment Committee met 13 times; and County Bond Advisory Committee has met 12 times.

The Conservation and Neighborhood Reinvestment Committees submitted their recommendations to the overall Committee on October 17, 2003. At four other meetings, the County Bond Advisory Committee received presentations from the Sheriff, various County departments, all of the local jurisdictions and tribal governments, and some members of the public. After hearing the presentations, the Committee held six meetings to deliberate and decide on a recommendation. All told, members of these committees logged close to 5,000 person-hours in meetings and untold additional hours in preparation for these meetings.

Pima County has made efforts to make this a very public process. In addition to the advisory committees, Pima County maintained a website devoted exclusively to disseminating the preparations for the May 2004 bond election, including making public the schedules, agendas, minutes, and reports of all three advisory committees and all correspondence generated relative to these committees and their work.

At the December 9, 2003 meeting, after receiving the report of the County Bond Advisory Committee, the Board directed the widest possible dissemination of the recommendations, with requests for review and comment to be received by January 10, 2004. Eventually, the report was sent out to approximately 500 individuals and organizations.

On January 14, 2004, the County Bond Advisory Committee held a public meeting of all the local jurisdictions and tribal governments to brief them on their recommendations and to facilitate discussions by and between the elected officials.

The results of the outreach are summarized below.

Results of Outreach

Pima County sent out summaries of the County Bond Advisory Committee recommendations with a request for review and comment to approximately 500 individuals and organizations. We have received surprisingly few responses: four letters, three e-mails, verbal comments at two briefings before Chamber of Commerce committees, and comments from the January 14, 2004 meeting hosted for all local governmental entities by the County Bond Advisory Committee.

Ms. Norma Niblett, Vice-Chairman/Budget Chairman for the Tucson-Pima County Historical Commission, wrote on her own behalf to recommend full funding for the recommended cultural/historic resources projects. These projects continue to be recommended at full funding of \$20 million.

Ms. Sandra Stone, Chair of the Canoa Ranch Oversight Committee, wrote to request the addition of \$200,000 to the Canoa Ranch Buildings Rehabilitation project "for the purpose of creating a master plan for the entire Canoa Ranch," which would bring total funding for that project to \$2.9 million. The County Bond Advisory Committee recommendation does not include this \$200,000.

Mr. Clague Van Slyke wrote on behalf of the Tucson Center for the Performing Arts Citizens Advisory Board to recommend that the Board approve the Bond Committee's recommendation to allocate \$682,000 for the Performing Arts Center project. The recommended bond package does contain this allocation of funding.

Mr. Barry Gerber, Chief of the Avra Valley Fire District, wrote to support the recommendations of the Bond Committee from the December 9, 2003 report and to urge inclusion of the regional public safety communications system. The recommended bond package does include an allocation of \$105 million for the communications system project.

Ms. Pat Montgomery wrote to urge funding for a new Pima County Animal Care Center. Mr. Albert Lannon wrote on behalf of he and his wife to request funding for a swimming pool in the Picture Rocks area. Later in this memorandum, I recommend that the Board consider including these two projects in the May 2004 bond package.

Mr. Matt Federoff wrote to request funding for a new library on the southeast side, for "Vail and surrounding areas." Funding for this project was not recommended by the Bond Committee and I have not recommended that the project be added back into this bond package. In his comments of January 13, 2003, Mayor Walkup also requests \$10 million for a "New Southeast Branch Library."

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Both Chair Bronson and Larry Hecker, Chairman of the County Bond Advisory Committee, made presentations on the Committee's recommended bond package to committees of the Tucson Chamber of Commerce. While we have not received any official comments from the Chamber as of this date, comments were made by committee members that are worth noting. There would seem to be strong support for the \$10 million Davis Monthan Environs land acquisition. How the open space program will be implemented and how large the bond authorization for this question will be are clearly highly visible issues for the Chamber. Comments were made in strong support of the purchase of conservation easements and against the use of condemnation for open space purposes.

At a January 13, 2004 meeting of the Chamber's Governmental Affairs Committee, Mr. Larry Lucero, from Tucson Electric Power, asked that the local utilities be included in planning for implementation of an open space program to avoid unnecessary conflicts between open space acquisition and the delivery of utility services in the future.

On January 14, 2004, the County Bond Advisory Committee hosted a public meeting for the Board of Supervisors and all local governments to brief elected officials on the Committee's recommendations, solicit input from the governments on the recommended plan, and to facilitate public dialogue among the elected officials. This meeting was very well attended. All but one member of the Bond Committee met with four Board members, the Mayors and some council members from all five jurisdictions, and the Chair of the Pascua Yaqui tribe. All of the Mayors and the Pascua Yaqui Tribe addressed the Board members and Committee, expressing their appreciation and gratitude for the hard work and sound recommendations made by the Committee and noting the importance of the regional cooperation symbolized by the meeting. With the exception of the City of South Tucson, all of the jurisdictions did request that the Board of Supervisors consider the inclusion of some additional projects.

Mayor Sutton from the Town of Marana requested an additional \$4 million for a river park along the Santa Cruz River in the vicinity of Continental Ranch. Mayor Sutton spoke to how this project would increase connectivity of the river park system. I will recommend that this project be included in the bond package.

Mayor Loomis of the Town of Oro Valley requested that \$3 million be added for the purchase of 28 acres to be added to the 220 acre regional park at the Naranja Town Site. This purchase would protect and enhance the northern entrance to the park. I will recommend that this project be included in the bond package.

Mayor Oldham from the Town of Sahuarita requested full funding for the Town's requested de Anza Trail project. The Town had requested \$2 million and the Committee recommended \$750,000. I will recommend that an additional \$750,000 be earmarked in the bond package for the de Anza Trail project in the Town, increasing the overall de Anza project funding from \$3 million to \$3.75 million.

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Mayor Walkup submitted a letter at the meeting, dated January 13, 2004 and addressed to the Chair, requesting an additional \$67 million in funding. I will recommend that several river park projects be included in the program.

Greg Saxe, Director of Planning for the Tohono O'Odham Nation and the Nation's representative on the Bond Committee, spoke of the Nation's support for the open space and cultural preservation components of the bond package and for the regional communications system project.

Mayor Loomis in his comments and Mayor Walkup in his letter spoke to agreements on project scheduling, management, and funding. I discuss the issue of accountability in the next section. Accountability will be achieved in the first instance through the Bond Implementation Plan Ordinance and would not be materially enhanced by execution of the kind of global intergovernmental agreement that seems to be implied in Mayor Walkup's letter. There will be occasion for the executing of many intergovernmental agreements, to provide for the implementation of projects on a case-by-case basis, and the Bond Implementation Plan can directly address the issue of project implementation by a specific reference.

Accountability and Development of the Bond Implementation Plan Ordinance for the May 2004 Bond Election

The Board of Supervisors, intensely aware of the need for accountability, passed the so-called "Truth in Bonding Ordinance" on April 15, 1997. Pursuant to this Ordinance, the Board adopted a 118 page Bond Improvement Plan Ordinance (No. 1997-35) for the May 20, 1997 general obligation bond and sewer revenue bond elections and a 47 page ordinance (No. 1997-80) for the November 4, 1997 HURF bond election. In contrast, the resolution for the 1986 bond elections covered just a few pages.

Ordinances No. 1997-35 and 1997-80 provided detailed information for the voters, in advance of the bond elections, on the projects proposed for financing with bond funds if the voters authorized their sale. Projects were described in terms of location, scope, benefit, bond funding, other funding, schedule, and projected operation and maintenance costs. The ordinance also discussed schedules for bond sales; analyzed impacts and set commitments on secondary property tax rates for debt service; and set operational conditions on matters such as projects to be constructed in other jurisdictions, for open space acquisition, and for undesignated projects such as Neighborhood Reinvestment.

The "Truth in Bond Ordinance" also requires active monitoring and reporting on implementation of the bond programs. After passage of the 1997 bonds, Pima County created a Capital Improvement Plan Unit, with accounting and computer programming staff, to coordinate and standardize planning and accounting across all bond implementing departments; to automate planning and monitoring; and to produce monthly, quarterly, and annual progress reports. As an example of this on-going monitoring and reporting, the CIP Unit's "Fiscal Year 2002/03 Annual

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Status Report" measures several inches in depth, providing exhaustive detail on every project funded with 1997 bonds that are completed, underway, to be started in the near future, and even those that are on-hold.

Under the direction of my Executive Assistant, staff has started drafting the Bond Implementation Plan ordinance for the May 18, 2004 Bond Election, in anticipation that the Board calls the election at the January 20, 2004 meeting. I anticipate that the bond ordinance for the May 2004 election could be as long as 200 or more pages, in part because of the need to address in detail issues such as those described in the following section.

I have already requested that the County Bond Advisory Committee meet in the future to review and comment on the bond ordinance as it is drafted. My Executive Assistant will work closely with the local jurisdictions and tribal governments to clarify the scopes, costs, and schedules for the projects that are included in the bond package at their request. The bond ordinance will codify agreements for how these jurisdictional and tribal projects will be managed, whether by Pima County or the jurisdiction or tribe. The ordinance will also codify agreements between the County and jurisdictions and tribes on any cost sharing responsibilities and that the jurisdiction or tribe will accept responsibility for any costs beyond what the County agrees to in the bond ordinance.

It is important for the public and other governments to realize that a \$556.6 million General Obligation Bond program will probably require that sales be stretched out over nine years in order to maintain faith with a commitment to keep secondary property tax rates at or below \$0.8150 per \$100 of assessed valuation. Under this schedule of bond sales, some of the promised projects will not be completed for perhaps twelve years after voter approval of the bonds, which would be in calendar year 2016. When the County Bond Advisory Committee began deliberations, I had hoped for a far more focused program that would be completed in seven to nine years. Increasing the size of the program to accommodate the requests of the other jurisdictions and the Sheriff effectively increases the duration of the program by several years.

Everyone will want their projects completed first, which is a feat that cannot be accomplished. Based upon preliminary analyses by the County's financial advisers, it is clear that annual sales of 2004 general obligation bonds will start at relatively low levels (\$40 to \$50 million) and then climb to higher levels (as much as \$80 million). The bond ordinance will establish schedules for projects, some of which will be eight to ten years in the future. I expect that discussions on project schedules with County officials and departments and other governmental entities will be intense and direct, but that process will be a necessary step to arrive at schedules that are equitable, realistic, and sustainable. It is likely that the 2004 bond program will concentrate on two program elements over the initial years of implementation: 1) open space acquisition and 2) planning and design of the highest priority projects, since few of the recommended projects are ready to go to construction.

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The "Truth in Bonding" Ordinance requires that the Bond Implementation Plan be approved and published no later than ten days before the election date, which is May 18, 2004. Early voting, however, starts thirty-three days before then, on April 15. I expect that the Board wants to approve the Bond Implementation Plan Ordinance before the start of early voting. To meet that schedule would require scheduling the ordinance for adoption on either March 30, April 6, or April 13, 2004. As a precaution, to allow the Board adequate time to hold more than one hearing on the ordinance, I would recommend that we schedule the first hearing on the ordinance for March 30, 2004.

Continued Monitoring by the County Bond Advisory Committee

For the first time, the Bond Implementation Ordinance should codify continuing oversight and review by the County Bond Advisory Committee with membership as originally defined by the Board in June and members appointed, provided they are willing to serve in the capacity as a continuing county bond advisory committee. The primary purpose of the committee would be to monitor the overall implementation of the program and submit an annual report to the Board of Supervisors regarding program implementation. The continuing monitoring and oversight would call for quarterly public meetings to receive reports from the various jurisdictions, including the County, regarding the progress of bond implementation. Quarterly reports should not pose a significant burden on this citizens advisory committee and the benefits of accountability and transparency in implementing the bond program with their continuing oversight will be immense and considerable. Frankly, we would recommend that all other local jurisdictions, when considering voter authorized bonds and/or debt, commit to such accountability, oversight and transparency. Unless directed otherwise by the Board, I will include a section within the Bond Implementation Plan that codifies the oversight role of the Bond Advisory Committee as indicated previously.

Issues to be Addressed in the Bond Implementation Plan Ordinance to be Adopted for the May 18, 2004 Bond Election

There are some issues that have been identified and will need to be addressed in the Bond Implementation Plan Ordinance that will be adopted if the Board calls this election. These issues are discussed below.

Regional Public Safety Communications System Project

In a memorandum dated December 23, 2003, I identified four "guiding principles," included by the County Bond Advisory Committee in their recommendation of January 6, 2004, which should be applied to implementation of the Regional Public Safety Communications System Project: (1) creation of a multi-jurisdiction police and fire management committee to guide bond investments to maximize effectiveness and public safety; (2) an aggressive and continuing effort

to obtain federal and state grants for this project; (3) systems and equipment must have a service life of at least 20 years and be compatible, to the extent practicable, with evolving technological innovations; and (4) invite federal, state and surrounding county participation in development of the system.

In addition, the Committee recommended that: (1) participating police and fire departments commit to support the entire May 2004 bond package; (2) procurement should be structured to avoid the parties being constrained by proprietary interests of vendors; (3) federal, state and surrounding counties will be strongly encouraged, rather than just invited, to participate in development of the system, which should also ensure interoperability with these other agencies; and (4) the Board should appoint a technical committee to advise on development of the system.

On January 12, 2004, I sent a memorandum to the Sheriff asking him to provide detailed information on annual operation and maintenance costs that will result from construction, acquisition, and implementation of this system, as well as how these costs will be allocated among the participating entities, and whether the entities are all financially capable of meeting these increased annual costs. An additional issue to be addressed is how Rural Metro, as a private, for-profit entity, can benefit from expenditure of public funds.

Open Space and Habitat Protection Program

There are three major issues for the Open Space and Habitat Protection Program to be addressed in the Bond Implementation Plan Ordinance. The first issue is accountability, which I have outlined previously in a memorandum dated January 5, 2004. I am recommending that the Board amend the County Code to create a nine member "conservation advisory commission." This commission would provide oversight and monitoring of all open space acquisitions, review any land acquisitions made with other revenue sources that are open space related or conserve habitat such as floodprone land acquisitions, and make recommendations to the Board on any aspect of open space acquisition and management of open space lands.

The second issue is the allocation of the recommended \$182.3 million bond authorization between the Habitat Protection Priorities and Community Open Space Priorities. The Conservation Bond Advisory Committee originally recommended a \$230 million open space program, with 75 percent allocated to Habitat Protection Priorities and 25 percent allocated to Community Open Space Priorities. In their recommendation, the Conservation Bond Advisory Committee identified sixteen projects, with earmarked expenditures of \$58 million or 25 percent of the overall recommended bond authorization. The Conservation Committee, recognizing the possibility that the open space bond authorization could be reduced, recommended that the 75/25 ratio be applied to the lower bond authorization. The County Bond Advisory Committee did recommend a lower authorization, at \$182.3 million, but did not explicitly include the 75/25 ratio in their recommendation. This issue should be addressed in the Bond Implementation Plan and should recognize the need to keep all possible and recommended acquisitions in the mix to allow purchases to be made in the most cost effective manner.

The third major issue to be addressed is the potential implication of the proposed Arizona State Land System reforms for the County's pending Arizona Preserve Initiative applications and recommended bond allocations to fund those applications.

Neighborhood Reinvestment Program

The Neighborhood Reinvestment Bond Advisory Committee recommended a \$30 million program, with \$20 million allocated to neighborhood reinvestment and \$10 million allocated to housing reinvestment. The Neighborhood Reinvestment Committee decided against recommending specific projects and allocating these bonds to the projects, recommending instead that the program continue to be a neighborhood driven program. The County Bond Advisory Committee accepted these recommendations as submitted. Staff also supports this program as being process driven, but acknowledges that the Bond Implementation Plan Ordinance will need to include explicit conditions on how the program will operate to ensure that it is transparent, accountable, effective, and legal.

Property Tax Rate Management

The County Bond Advisory Committee recommended that general obligation debt authorized by voters at a May 18, 2004 bond election be managed so that the secondary property tax rate required for debt service not exceed the current rate of \$0.8150 per \$100 of assessed valuation. In Ordinance No. 1997-35, adopted for the May 20, 1997 bond election, the Board committed to keeping secondary property tax rates at or below \$1.00 per \$100 of assessed valuation, a commitment that the Board has more than kept, since secondary property tax rates for debt service have declined every year since fiscal year 1998/99 and now stand at \$0.8150. I submitted a report to the County Bond Advisory Committee discussing this matter, which can be used to insert language on the issue in the upcoming Bond Implementation Plan ordinance.

Recommendation

It is with some trepidation that I make this recommendation to you, more as a suggestion than a firm, ironclad recommendation on the May 18, 2004 bond issue. The reason for this tentative recommendation is that there is no right or wrong answer in how the ultimate bond program is formulated, what projects are funded, and at what amounts. The residents of Pima County who have participated in this process through the County Bond Advisory Committee, the Conservation Bond Advisory Committee, and the Neighborhood Reinvestment Bond Advisory Committee have exercised extraordinarily good judgement in their recommendations to you regarding this program. Conversely, the request for program modification or additional funding by the jurisdictions reflects their honest belief in what they believe is fair and reasonable. Competing interests and opinions among the business community, home builders, environmental and neighborhood interests are just that -- no one is completely right and no one is completely wrong.

Listening to all of these interests and listening to the comments I received from individual Board members on the program, I make the following recommendations:

1. County Bond Committee Recommendation - The recommendation of December 9, 2003 and January 6, 2004 from the County Bond Advisory Committee be fully accepted and approved, with modifications as identified in further recommendations as follows.
2. City of Tucson Allocation for Parks - The unspecified additional \$12.3 million allocated by the Pima County Bond Advisory Committee to the City of Tucson for park purposes be allocated as specifically requested by the Mayor and Council of the City of Tucson, as follows:

City of Tucson Request

Houghton Greenway	\$ 1,400,000
Julian Wash Linear Park	3,700,000
Arroyo Chico	1,000,000
Atturbury Wash Sanctuary Land Acquisition and Expansion	2,000,000
Pantano Wash Linear Park, 22nd St south to Michael Perry Park	2,700,000
Rio Vista Park River Park	<u>1,500,000</u>
Subtotal City of Tucson Request	\$12,300,000

3. Additional City of Tucson Requests - The additional request for bond funding by the Mayor and Council of the City of Tucson through the City Manager in the amount of \$67.0 million be partially accepted, with the following projects approved and included in the bond question entitled "River Parks and Flood Control."
 - A. Santa Cruz River, Ajo to 29th Street, including environmental restoration of the west branch of the Santa Cruz River, with improvements to include river park, riparian restoration and flood control, and the total project not exceeding \$14 million.
 - B. Santa Cruz River, Grant to Ft. Lowell, river park element on both sides of the Santa Cruz River, for \$3 million.
 - C. Completion of river park improvements on the Rillito River for \$3 million.
4. Town of Marana and Other Northwest River Parks - To complement the metropolitan development of trails and river parks and the request of the Town of Marana, I would also recommend the following additional river park investments:
 - A. Santa Cruz River Park in the Vicinity of Continental Ranch, Cortaro north along the Santa Cruz River in an amount of \$4 million.

B. Cañada del Oro River Park, Thornydale to Magee, integrating the Cañada del Oro River Park system with that of the Rillito River via Thornydale Road in an amount of \$5 million. A portion of this allocation should also be directed to connecting the Santa Cruz, Rillito and Cañada del Oro river parks.

5. County Park Development - In the recommendation of the County Bond Advisory Committee, they reduced the original County park allocation from \$22.9 million to \$16 million for the purpose of shifting funds to the City of Tucson. The amount of funds reduced severely impacts the ability of the County to complete the complementary node parks along the Rillito River Park corridor or to fund the regional shooting facilities. Given these are the only parks available to residents of the foothills, northwest and northern metropolitan corridor, I would recommend that full funding be restored, with the addition of \$1 million to the original allocation to the River Bend Park due to significant private contributions anticipated in park completion. This would increase the original River Bend Park allocation from \$2 million to \$3 million, and would add back to the park question for County parks, with a total of \$23.9 million to be allocated to the following parks:

Pima County Request

Flowing Wells Community Center	\$ 3,500,000
Southeast Regional Park/Shooting Range	3,500,000
Sports Field Lighting of Existing Fields	3,000,000
Curtis Park - Flowing Wells East	2,250,000
Catalina Community Park	2,000,000
Dan Felix Memorial Park - Pegler Wash	1,750,000
River Bend Park	3,000,000
Mehl-Foothills Park	2,000,000
Rillito Race Track Sports Fields	2,250,000
Kino Sports Field Lighting	<u>650,000</u>
Subtotal Pima County Request	\$23,900,000

6. Juvenile Court Courtroom Build-Out - In my recommendation to the Committee dated November 12, 2003, I recommended that the courtroom build-out at Juvenile Court be included in the bond issue. The Arizona Legislature, during the second special session of the 46th Legislature, enacted legislation, signed into law on December 18, 2003 by the Governor, for new provisions and changes to existing requirements for both Child Protective Services and the juvenile courts throughout the state. This legislation requires significant expanded court hearings in the juvenile system. Fortunately, the County constructed the building at Juvenile Court sufficiently large to accommodate four additional courtrooms. It is important that these courtrooms be constructed in the near term to meet the demands of this new legislation. Therefore, I am recommending that \$2 million be added to the bond program for the purpose of build-out of courtrooms at the Juvenile Court Center.

7. Interagency Victim Advocacy Center - The Interagency Victim Advocacy Center adds an important additional dimension in the criminal justice system that needs to be funded to provide services for victims of crime and assist in the prosecution of crimes related to sexual abuse. The original request for a large interagency victim advocacy center was in excess of \$11 million. I originally recommended \$4 million to the Bond Advisory Committee due to significant expansion of the facility over what was originally proposed. The parties advocating for the Center have reviewed the original request and reduced the size and scope of the facility to approximately \$7 million or \$8 million. I would recommend that an additional \$2 million be allocated to the Interagency Victim Advocacy Center, bringing the total bond allocation to \$6 million, with the advocacy groups required to raise any additional funds necessary to construct the facility.
8. Feliz Paseo Universal Access Open Space Park- With 1997 General Obligation bond funds, the County acquired 55-acres for expansion of Tucson Mountain Park for the purposes of developing a universal access open space park near the center of the urban community. A "universal access park" welcomes all people, including those with disabilities, to experience directly the beauty of the Sonoran Desert. A volunteer committee representing advocates for the disabled, experts in universal accessibility, concerned citizens, and motivated architects and engineers worked over several months to develop community consensus on the design for this project. The project has been planned and is basically designed and ready to move forward. I would recommend that \$1 million be allocated for the purpose of finalizing and constructing the Feliz Paseo Universal Access Open Space Park.
9. Mt. Lemmon Community Center - The Mt. Lemmon community was devastated by the Aspen Fire this past year. The community has participated with the Arizona American Institute of Architects to develop a consensus master plan for the Mt. Lemmon/Summerhaven community. This rebuilding would assist the community, but would also make accessible the Mt. Lemmon recreational area to all residents of Pima County. A master plan has recently been completed as a consensus community document and calls for a \$2.3 million public investment. Approximately \$1.3 million remains available from the Mt. Lemmon Shuttle 1997 bond, combined with \$1.0 million of additional bonds in the 2004 authorization, to fund the construction/restoration of a Mt. Lemmon Community Center.
10. Oro Valley - At its meeting of January 12, 2004, the Mayor and Council of the Town of Oro Valley voted unanimously to amend their request for bond projects to include an additional \$3 million for a key 28 acre parcel necessary for the Town to complete its planned 220 acre park at the Naranja Town Site. I would recommend that an additional \$3 million be allocated to the Parks and Recreational Facilities question.

The Honorable Chair and Members, Pima County Board of Supervisors

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11. Sahuarita - The Town of Sahuarita has requested that the bond package contain full funding for their request for the de Anza Trail, at \$2,000,000 rather than the \$750,000 recommended by the County Bond Advisory Committee. The Town envisions expenditures for aspects of the de Anza Trail that are over and above those components designated strictly as trail preservation. I recommend that another \$750,000 be added to the de Anza Trail Project, taking the total bond authorization from \$3,000,000 to \$3,750,000, with \$1,500,000 of that amount earmarked for the de Anza Trail or Santa Cruz River Park development through the Town of Sahuarita. I also believe that the Town could reasonably consider allocating some portion of the \$1,500,000 for the Bicycle Lane on the Sahuarita Road project since the purposes would be considered similar in nature.
12. Picture Rocks Pool - The Picture Rocks community is in the unincorporated area of Pima County, west of the Tucson Mountains. Very few projects of the 2004 bond program are in rural areas of Pima County. The Picture Rocks community has grown significantly over the last few years and has requested, on a number of occasions, community facilities such as a public pool. In order to help balance out the distribution of improvements throughout Pima County, I am recommending that the Board allocate \$2 million for the Picture Rocks public pool.
13. Repair and Rehabilitation of the Animal Care Center - The Animal Care Center was constructed in 1968. Since that time, standards for animal care and public expectations for animal care have changed significantly, but the Center has not kept pace with these changes in standards and expectations nor with advances in technology, communications, and work place safety. Therefore, I recommend that \$3 million be added to the May 2004 bond package for repair and rehabilitation of the Pima County Animal Care Center for those functions directly related to animal care.
14. Reducing the Regional Communications Program - The previous recommendations have all added to the total amount of bonds that would be authorized. Realizing that there is a finite limit to the amount of bonded indebtedness that we should ask the voters to approve, I would recommend several reductions to offset these recommended increases. The \$104.9 million for the regional public safety communications system would fully fund the system with local dollars. As has been pointed out on a number of occasions, federal funds in the form of Homeland Security grants and other monies are now being made available through federal grants and funds. I believe that a regional funding request from our emergency safety organizations similar to that requested by the Sheriff would be a compelling reason to fund a federal grant application. A conservative estimate of the amount of federal and/or state funds that could be attracted to such a system would be 20 percent of the total. Therefore, I would recommend that the \$104.9 million allocation be reduced by \$20 million, leaving federal or state matching funds for system development and implementation.

15. Reducing the Open Space Program - Obviously full funding of open space is desired. The program has already been reduced from the \$250 million requested by the Steering Committee for the Sonoran Desert Conservation Plan to \$230 million by the Conservation Bond Advisory Committee to \$182 million by the County Bond Advisory Committee. Further, the amounts have been reduced by specific earmarks for Davis Monthan Air Force Base and specific acquisitions of open space within the City of Tucson and Town of Oro Valley. These earmarks reduce the amount for protection and acquisition of community "signature property open spaces." Simply because of competing requests for limited funds, I am forced to recommend a \$15 million reduction in this program, which would reduce the ballot amount to \$167.3 million.

With the reduction I have recommended, along with earmarked acquisitions such as for Davis Monthan Air Force Base and other requests from the City of Tucson and Oro Valley totaling \$23.5 million, the amount of funds available for open space acquisition has been effectively reduced from \$182.3 million to \$143.8 million, a sizable reduction. Further, the City of Tucson has requested that Bellota Ranch be acquired and residents of the Tucson Mountains would like Painted Hills property acquired. These matters deserve serious consideration; therefore, I would recommend that the Conservation Bond Advisory Committee reconvene and make specific recommendations on A) the requests of the Bellota Ranch and Painted Hills, B) distribution of open space acquisition funds between habitat and community signature properties considering State Land Trust Reform and the recently released Multiple Species Conservation Plan for the Sonoran Desert Conservation Plan, and C) priorities for the community signature properties since funding will not be sufficient to purchase all of the listed properties. In the alternative, the Board could defer this matter to the Conservation Acquisition Commission provided the Commission is appointed soon.

16. Reducing the Urban Drainage Program - The only other bond allocation that is not fully allocated to a very specific project is the amount of \$13,281,000 allocated to urban drainage. While there are urban drainage needs that are significant throughout the community, the vagueness in project allocation makes the question perhaps weaker than it should be. Hence, I would recommend that the amount of unspecified urban drainage be reduced by \$5,000,000, to \$8,281,000.

Table 2 summarizes the recommended changes to bond authorizations, while Table 3 reports on how the new bond authorizations would be allocated by ballot question. I have recommended a total of \$40 million in bond authorization reductions (\$20 million from the Regional Public Safety Communications System, \$15 million from Open Space and Habitat Protection, and \$5 million from the Urban Drainage Infrastructure Program). On the other hand, I have recommended increases in bond authorizations totaling \$51,650,000. The net effect of these recommendations would be to increase the overall general obligation bond package by \$11,650,000, from \$556,600,000 to \$568,250,000. It is most important to recognize that this increase recommended is in response to the increased requests of jurisdictions.

Table 2

County Administrator Recommendations on General Obligation Bond Authorizations

<u>Ballot Question/Project</u>	<u>Committee Recommendation</u>	<u>County Administrator Recommendation</u>	<u>Difference</u>
Question 1 Sonoran Desert Open Space and Habitat Protection; Preventing Urban Encroachment of Davis Monthan Air Force Base			
Subtotal Question 1	\$182,300,000	\$167,300,000	-\$15,000,000
Question 2 Public Safety and Justice Facilities			
Regional Public Safety Communications System	\$105,000,000	\$ 85,000,000	-\$20,000,000
Interagency Victim Advocacy Center	4,000,000	6,000,000	2,000,000
Juvenile Court Build Out	0	2,000,000	2,000,000
Subtotal Question 2	\$185,000,000	\$171,000,000	-\$16,000,000
Question 3 Public Health and Community Facilities			
Mt. Lemmon Community Center	0	\$1,000,000	\$1,000,000
Animal Care Center	0	3,000,000	3,000,000
Subtotal Question 3	0	\$4,000,000	\$4,000,000
Question 4 Parks and Recreational Facilities			
Anza National Historic Trail	\$ 3,000,000	\$ 3,750,000	\$ 750,000
Pima County Parks Requests	16,000,000	23,900,000	7,900,000
Feliz Paseos Universal Access Park	0	1,000,000	1,000,000
Oro Valley Naranja Town Site Park	0	3,000,000	3,000,000
Picture Rocks Pool	0	2,000,000	2,000,000
Subtotal Question 4	\$19,000,000	\$33,650,000	\$14,650,000
Question 5 River Parks and Flood Control Improvements			
Urban Drainage Infrastructure Program	\$13,281,000	\$8,281,000	-\$5,000,000
River Parks and Flood Control			
Santa Cruz River, Ajo to 29th Street	0	\$14,000,000	\$14,000,000
Santa Cruz River, Grant to Fort Lowell	0	3,000,000	3,000,000
Rillito River Linear Park Completion	0	3,000,000	3,000,000
Santa Cruz River in Vicinity of Continental Ranch	0	4,000,000	4,000,000
Canada del Oro River Park, Thornydale to Magee	0	5,000,000	5,000,000
Subtotal Question 5	\$13,281,000	\$37,281,000	\$24,000,000

Net Increase in Total General Obligation Bond Authorization \$11,650,000

County Bond Committee Recommendation \$556,600,000

Net Increase \$11,650,000

New General Obligation Bond Authorization \$568,250,000

The Honorable Chair and Members, Pima County Board of Supervisors
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Table 3 shows how the bond authorizations would appear if the Board accepted my recommendations. If the Board directs these changes, then the ballot language would need to be rewritten and returned to the Board with proper notice for action.

Table 3

**Possible Revised General Obligation Ballot Questions
for the May 18, 2004 Special Bond Election**

<u>Question</u>	<u>Recommended Bond Allocation</u>
General Obligation Bonds	
Question 1 Sonoran Desert Open Space and Habitat Protection; Preventing Urban Encroachment of Davis Monthan Air Force Base	\$167,300,000
Question 2 Public Health and Community Facilities	81,500,000
Question 3 Public Safety and Justice Facilities	176,500,000
Question 4 Parks and Recreational Facilities	96,450,000
Question 5 River Parks and Flood Control Improvements	<u>46,500,000</u>
Total General Obligation Bonds	\$568,250,000

Respectfully submitted,


C.H. Huckelberry
County Administrator

CHH/jj (January 16, 2004)

Attachments

- c: Pima County Bond Advisory Committee
- Conservation Bond Advisory Committee
- Neighborhood Reinvestment Bond Advisory Committee
- Tim Pickrell, Bond Counsel
- Jim Barry, Executive Assistant to the County Administrator

ATTACHMENT 1

RESOLUTION NO. 2004-_____

RESOLUTION ORDERING AND CALLING A SPECIAL BOND ELECTION TO BE HELD IN AND FOR PIMA COUNTY, ARIZONA ON MAY 18, 2004, TO SUBMIT TO THE QUALIFIED ELECTORS THEREOF QUESTIONS ON AUTHORIZING THE ISSUANCE AND SALE OF \$556,600,000 PRINCIPAL AMOUNT OF GENERAL OBLIGATION BONDS OF PIMA COUNTY, ARIZONA, AND \$150,000,000 PRINCIPAL AMOUNT OF SEWER REVENUE BONDS OF PIMA COUNTY, ARIZONA; PROVIDING FOR AND GIVING NOTICE OF THE SPECIAL BOND ELECTION, AND DECLARING AN EMERGENCY.

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA, AS FOLLOWS:

Section 1. Recitals, Findings and Conclusions.

(a) The Board of Supervisors of Pima County, Arizona (the "County") believes it to be in the best interests of the County that the County be authorized to issue and sell \$556,600,000 principal amount of general obligation bonds and \$150,000,000 principal amount of sewer revenue bonds of the County.

(b) It is necessary that the Board of Supervisors submit the questions relating to the issuance and sale of such bonds to the qualified electors of the County..

Section 2. A special bond election is hereby ordered and called to be held on May 18, 2004, to submit to the qualified electors of the County the questions set forth in the form of Notice of Special Bond Election, which shall be in substantially the form attached hereto as Exhibit A and incorporated herein by reference.

Section 3. Notice of the order and call of the special bond election will be given by publishing this resolution, including the Notice of Special Bond Election, at least once in The Daily Territorial and at least once in a newspaper published in Pima County, Arizona and of general circulation within the County not less than 15 nor more than 30 days prior to the date of the election, and by mailing to the residence of each registered voter in the County, not less than 10 days nor more than 50 days prior to the election, an informational pamphlet containing the information required by law.

Section 4. The polling places shall be those designated by the County Elections Director and approved by the Board of Supervisors. The period of time during which the polls will be open shall be as provided in the Notice of Special Bond Election.

Section 5. The County Elections Director shall cause ballots in the form prescribed by law, setting forth the questions contained in the Notice of Special Bond Election attached as Exhibit A hereto, to be prepared and delivered to the election boards to be furnished to the

qualified electors wishing to vote at the special bond election. The County Elections Director shall also provide ballots and related materials, in the manner provided by law. The County Recorder's office shall direct early voting, in the manner provided by law. All voting shall be by paper ballot suitable for counting by an optical scanning system.

Section 6. The special bond election shall be conducted and the poll lists kept, and the votes cast thereat shall be recorded and returned, in the manner provided by law. Only persons who are qualified electors of the County shall vote at the special bond election.

Section 7. In order to comply with the Voting Rights Act of 1965, as amended, the following proceedings pertaining to this election will be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such proceedings are required: the Notice of Special Bond Election, the informational (publicity) pamphlet, the ballot, all early voting materials, and all instructions at the polls.

Section 8. The returns of the election shall be made to the Board of Supervisors and the Board of Supervisors will hold a special meeting within 20 days after the election to canvass the votes cast and certify the results of the special bond election, as provided by law. The Board of Supervisors shall be governed by the vote of the majority as to each question submitted.

Section 9. If any provision of this resolution or the application thereof to any person or circumstance is determined to be invalid, such invalidity shall not affect other provisions or applications of this resolution which can be given effect without the invalid provisions or applications, and to this end the provisions of this resolution are severable.

Section 10. By reason of the urgent need for the improvements to be made from the proceeds of the bonds herein sought to be authorized, the immediate operation of the provisions of this resolution is necessary for the preservation of the public peace, health and safety of the County, an emergency is hereby declared to exist, and this resolution is enacted as an emergency measure and will be in full force and effect after its passage, adoption and approval by the Board of Supervisors and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

PASSED, ADOPTED AND APPROVED by the Board of Supervisors of Pima County,
Arizona, on _____, 2004.

PIMA COUNTY, ARIZONA

By: _____
Chair, Board of Supervisors

ATTEST:

By: _____
Clerk, Board of Supervisors

APPROVED AS TO FORM:

SNELL & WILMER L.L.P.
Bond Counsel

By: _____
Timothy E. Pickrell

EXHIBIT A
NOTICE OF SPECIAL BOND ELECTION TO BE HELD IN AND FOR PIMA COUNTY, ARIZONA ON MAY 18, 2004

TO THE QUALIFIED ELECTORS OF PIMA COUNTY, ARIZONA:

A special bond election will be held on May 18, 2004.

The purpose of the election is to submit to the qualified electors of the County six separate questions as to whether bonds of the County should be authorized to be issued in addition to all bonds authorized at previous elections.

The questions to be submitted are as follows:

Question No. 1

Sonoran Desert Open Space and Habitat Protection; Preventing Urban Encroachment of Davis Monthan Air Force Base

For the purpose of acquiring real and personal property for open space and habitat protection, including, without limitation, Sonoran Desert open space, protecting wildlife habitats, saguaro cacti, ironwood forests and lands around rivers, washes and recharge areas to insure high water quality, the acquisition of lands in the vicinity of Davis Monthan Air Force Base to prevent urban encroachment, and the acquisition of real or personal property or interests or rights in property for such purpose and paying all expenses properly incidental thereto and to the issuance of such bonds, shall Pima County, Arizona be authorized to issue and sell general obligation bonds of the County in an aggregate principal amount not exceeding \$182,300,000?

The bonds to be issued in one or more series, maturing not more than 30 years following the date of issuance of each series, and bearing interest at a rate or rates not higher than 12 percent per annum.

Question No. 2

Public Health and Community Facilities

For the purpose of acquiring, developing, expanding, improving and equipping new and existing facilities to further the health, education, welfare and safety of the citizens of the County, including, without limitation, County hospitals, clinics and other buildings, museums and facilities for the arts, facilities for the disposal of solid waste, and lighting, housing and other improvements and facilities to further neighborhood reinvestment, and the acquisition and construction of real or personal property or interests or rights in property for such purpose and paying all expenses properly incidental thereto and to the issuance of such bonds, shall Pima County, Arizona be authorized to issue and sell general obligation bonds of the County in an aggregate principal amount not exceeding \$77,500,000?

The bonds to be issued in one or more series, maturing not more than 30 years following the date of issuance of each series, and bearing interest at a rate or rates not higher than 12 percent per annum.

Question No. 3

Public Safety and Justice Facilities

For the purpose of acquiring, developing, improving and equipping public safety and justice facilities in the County, including, without limitation, a new court complex, renovation of the County's Old Courthouse, jail security improvements, and a regional emergency radio communications system, and the acquisition and construction of real or personal property or interests or rights in property for such purpose and paying all expenses properly incidental thereto and to the issuance of such bonds, shall Pima County, Arizona be authorized to issue and sell general obligation bonds of the County in an aggregate principal amount not exceeding \$192,500,000?

The bonds to be issued in one or more series, maturing not more than 30 years following the date of issuance of each series, and bearing interest at a rate or rates not higher than 12 percent per annum.

Question No. 4

Parks and Recreational Facilities

For the purpose of acquiring, developing, expanding, improving and equipping new and existing parks and recreational facilities in the County, including, without limitation, athletic fields, community centers, libraries, historic and cultural facilities and trails, and the acquisition or construction of real or personal property or interests or rights in property for such purpose and paying all expenses properly incidental thereto and to the issuance of such bonds, shall Pima County, Arizona be authorized to issue and sell general obligation bonds of the County in an aggregate principal amount not exceeding \$81,800,000?

The bonds to be issued in one or more series, maturing not more than 30 years following the date of issuance of each series, and bearing interest at a rate or rates not higher than 12 percent per annum.

Question No. 5

River Parks and Flood Control Improvements

For the purpose of acquiring, constructing, expanding and improving the flood control facilities of the County, including, without limitation, bank stabilization, channels, drainage ways, dikes, levees and other flood control improvements and river parks and other related facilities and the acquisition and construction of real or personal property or interests or rights in property for such purpose and paying all expenses properly incidental thereto and to the issuance of such bonds, shall Pima County, Arizona be authorized to issue and sell general obligation bonds of the County in an aggregate principal amount not exceeding \$22,500,000?

The bonds to be issued in one or more series, maturing not more than 30 years following the date of issuance of each series, and bearing interest at a rate or rates not higher than 12 percent per annum.

Question No. 6

Sewer System Revenue Bonds

For the purpose of paying the costs of improvements, expansions and extensions to the sewer plant and system of the County, both within and without the County, including, without limitation, additional, expanded or enhanced effluent reuse, recharge and environmental protection facilities or facilities required for regulatory compliance, additional storage and treatment facilities, pumps, conduits, pipelines, mains and all necessary rights, properties, facilities and equipment therefor, and to acquire land, interests in land and rights-of-way for such purposes and paying all expenses properly incidental thereto and to the issuance of such bonds, shall Pima County, Arizona be authorized to issue and sell sewer system revenue bonds of the County in an aggregate principal amount not exceeding \$150,000,000, to be payable solely from the revenues of the sewer system of the County?

The bonds to be issued in one or more series, maturing not more than 30 years following the date of issuance of each series, and bearing interest at a rate or rates not higher than 12 percent per annum.

The polls will be open during the period from 6:00 A.M. to 7:00 P.M., inclusive, on the day of the election.

Any qualified elector may vote by early ballot in the manner provided by law. Official early balloting materials may be requested by telephone or mail from the County Recorder, 115 North Church Avenue, Tucson, Arizona; telephone 740-____, prior to 5:00 P.M. on May __, 2004. Any elector prevented from voting at the polls as a result of an emergency occurring between 5:00 P.M. on May __, 2004 and 5:00 P.M. on May 17, 2004 should contact the County Recorder for directions as to voting.

ADOPTED this ____ day of _____, 2004.

PIMA COUNTY, ARIZONA

By: _____
Chair, Board of Supervisors

ATTEST:

By: _____
Clerk, Board of Supervisors

ATTACHMENT 2

**Recommended 2004 Bond Election Ballot Questions and Authorizations, based on
County Bond Advisory Committee Recommendations**

Question	Recommended Bond Allocation
General Obligation Bonds	
Question 1 Sonoran Desert Open Space and Habitat Protection Preventing Urban Encroachment of Davis Monthan Air Force base	182,300,000
Question 2 Public Health and Community Facilities	77,500,000
Question 3 Public Safety and Justice Facilities	192,500,000
Question 4 Parks and Recreational Facilities	81,800,000
Question 5 Flood Control Improvements	22,500,000
Total General Obligation Bonds	556,600,000
Sewer Revenue Bonds	
Question 6 Sewer System Revenue Bonds	150,000,000

Question Projects	Recommended Bond Allocation
2004 General Obligation Bond Questions	
Question 1 Sonoran Desert Open Space and Habitat Protection Preventing Urban Encroachment of Davis Monthan Air Force base	
Total Question 1	182,300,000
Question 2 Public Health and Community Facilities	
Public Health Facilities	
Kino Public Health Center	25,000,000
Teresa Lee Health Clinic	2,000,000
New Psychiatric Hospital	12,000,000
Sub-Total Public Health	39,000,000
County-Owned Museums	
Arizona Sonora Desert Museum - Auditorium	1,000,000
Arizona Sonora Desert Museum - Gray Water	200,000
Pima Air and Space Museum - Hangar	1,000,000
Sub-Total County-Owned Museums	2,200,000
Other Facilities	
Green Valley Performing Arts Center Phase 2	4,000,000
Roy Place Commercial Bldg Restoration	800,000
Sub-Total Other Facilities	4,800,000
Neighborhood Reinvestment	
Neighborhood Reinvestment	20,000,000
Housing Reinvestment	10,000,000
Sub-Total Neighborhood Reinvestment	30,000,000
Ina Road Tire Relocation	1,500,000
Total Question 2	77,500,000

Question Projects	Recommended Bond Allocation
Question 3 Public Safety and Justice Facilities	
Regional Public Safety Communications System	105,000,000
New Justice Court/Municipal Court Complex	76,000,000
Rehabilitation of Old Courthouse	4,500,000
Corrections Jail Security Project	3,000,000
Interagency Victim Advocacy Center	4,000,000
Total Question3	192,500,000
Question 4 Parks and Recreational Facilities	
Cultural/Historic Resources Bond Program	
Empirita Ranch Buildings Rehabilitation	400,000
Canoa Ranch Buildings Rehabilitation	2,700,000
Anza National Historic Trail	3,000,000
Fort Lowell Acquisition & San Pedro Chapel	3,000,000
Helvetia Townsite Acquisition	100,000
Steam Pump Ranch Rehabilitation	2,000,000
Binghampton Historic Buildings Rehabilitation	800,000
Marana Mound Community Site	2,000,000
Dakota Wash Site Acquisition	750,000
Coyote Mountains Sites Acquisition	800,000
Honey Bee Village Acquisition	1,000,000
Performing Arts Center Rehabilitation	682,000
Valencia Site Preservation	100,000
Los Morteros Preservation	100,000
Pantano Townsite Preservation	50,000
Ajo Curley School Historic Art Institute	500,000
Dunbar School	1,218,000

Question	Projects	Recommended Bond Allocation
	Sub-Total Cultural/Historic Resources Bond Program	19,200,000
	Parks/Recreation	
	Pima County Request	16,000,000
	Flowing Wells Community Center	
	Southeast Regional Park/Shooting Range	
	Sports Field Lighting of Existing Fields	
	Curtis Park - Flowing Wells East	
	Catalina Community Park	
	Dan Felix Memorial Park - Pegler Wash	
	River Bend Park	
	Mehl-Foothills Park	
	Rillito Race Track	
	Kino Public Sports Field Lighting	
	City of Tucson Request	29,800,000
	Eastside Sports Complex and Senior Center	
	Northside Community Park	
	Southeast Community Park	
	Pantano River Park	
	Rillito River Park	
	Houghton Greenway	
	Julian Wash Linear Park	
	Arroyo Chico	
	Atturbury Wash Sanctuary Land Acquisition and Expansion	
	Valle Allegre	
	Rio Vista Park River Park	
	Town of Marana Request	

Question	Projects	Recommended Bond Allocation
	Regional Heritage and Cultural Park	1,000,000
	Tortolita Trail System	1,200,000
	Town of Sahuarita Request	
	Anamax Park Multi-Use Ballfield	500,000
	Bicycle Lane on Sahuarita Road	1,500,000
	Sub-Total Parks/Recreation	50,000,000
	Libraries	
	Marana Continental Ranch New Library	4,500,000
	Oro Valley Library Expansion	1,100,000
	Wilmot Branch Library	7,000,000
	Sub-Total Libraries	12,600,000
	Total Question 4	81,800,000
Question 5	Flood Control	
	Floodprone and Riparian Land Acquisition	5,000,000
	Urban Drainage Infrastructure Program	13,281,000
	City of South Tucson Projects	1,719,000
	Tohono O'Odham Nation Drainage Improvements	1,500,000
	Pascua Yaqui Tribe Black Wash Flood Control Improvements	1,000,000
	Total Question 5	22,500,000
Total 2004	General Obligation Bond Questions	556,600,000

Question Projects	Recommended Bond Allocation
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2004 Sewer Revenue Bond Question

Question 6 Sewer System Revenue Bonds

Rehabilitation and Repair

Roger Road WWTP Rehabilitation 20,000,000

Miscellaneous Conveyance System Rehabilitation and Repair 15,000,000

Augmentation/Addition of Conveyance Capacity

Santa Cruz Interceptor, Prince to Franklin 25,000,000

Roger Road WWTP to Ina Road WPCF Plant Interconnect 23,000,000

Tanque Verde Interceptor, Craycroft to Tucson Country Club 5,000,000

Marana Regional Airport Sewer Connection 2,800,000

Enhanced Processing-Regulatory

Ina Road WPCF - Denitrification 17,000,000

Ina Road WPCF Central Plant and Electric Upgrade 12,000,000

Ina Road WPCF Laboratory and Office Building 9,000,000

System Treatment Capacity

New Marana WWTP Expansion 10,000,000

Miscellaneous Water Reclamation Facilities 4,000,000

Mt. Lemmon Sewer System 7,200,000

Total Question 6 150,000,000

ATTACHMENT 3

2004 COUNTY BOND ADVISORY COMMITTEE

District 1	Chris Sheafe
	Wanda Shattuck
District 2	Rene Gastelum
	Tom Warne
District 3	William Roe
	Lawrence M. Hecker, Jr.
District 4	David Lyons
	Alex Rodriguez
District 5	Jesus Gomez
	Carolyn Campbell
County Administrator	Arlan Colton
	Patty Richardson
Pascua Yaqui Tribe	Sharon Flores Madril
Tohono O'Odham Nation	Dr. Greg Saxe
City of Tucson	Albert Elias
	Alternate - Karen Thoreson
City of South Tucson	Paul Diaz
Town of Marana	Dan Sullivan
Town of Oro Valley	Bob Jennens
	Alternate - John Neis
Town of Sahuarita	Stacey Lemos
Coordinator	Jim Barry/Deseret Romero 740-8450 County Administrator's Office

CONSERVATION BOND ADVISORY COMMITTEE

District 1	Pat King
	Chuck Pettis
District 2	VACANT
	Jenny Neeley
District 3	Christina McVie
	Rob Marshall
District 4	Tom Sheridan
	Steve Alexander
District 5	Gayle Hartman
	Paula Chronister
Coordinator	Nicole Fyffe 740-8800 or 740-3579 County Administrator's Office

NEIGHBORHOOD REINVESTMENT BOND ADVISORY COMMITTEE

District 1 VACANT (Vacancy created by Greg Hansen)

Jan Johnson

District 2 Margaret Kish

Fernando Castro, CHAIR

District 3 Ellie Towne

Tracy Taft

District 4 Dorothy Lewis

Richard Small, VICE CHAIR

District 5 Dan Garcia

Rosalva Bullock

Coordinator Linda Leatherman 740-8351
County Administrator's Office